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Manual for State Legislative Programs

Second Edition



The views, expressions, and directives contained herein are not necessarily those of the AICPA but, rather, are a compilation by members and staff of the AICPA State Legislation Committee. This committee is charged with assisting state CPA organizations to develop their particular legislative programs.

Additional copies of this manual may be obtained from the AICPA State Legislation Department.

*Manual for
State
Legislative
Programs*

Second Edition

Prepared by the
State Legislation Committee
American Institute of Certified Public Accountants

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Preface

The purpose of this manual is to present guidelines, techniques, and model programs for use by state society legislation committees. The material presented is neither exhaustive nor definitive, nor should each recommendation be literally or rigidly adopted. Some state societies, having legislative structures and programs that have proven effective, may find some useful ideas in this manual; other states may find the manual helpful for improving legislative performance. Therefore, it is recommended that users study the manual and apply its contents according to the needs of their state society's legislation committee.

The manual is divided into three chapters. The first chapter, "Legislative Organization," describes the basic structure of a state society legislative program. The second chapter, "The Legislative Campaign," describes the arena in which a state society legislation committee operates. The final chapter, "Model Legislative Programs," presents model programs for legislative action.

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Legislative Organization

Elements of the Legislative Program

The term *legislative organization* refers to the basic elements necessary to carry out a legislative program. The central element is the state society's legislation committee. Other important elements are the state society board and staff, the lobbyist, the key man program, the political action committee, and the legislative workshop. Taken together, they form the foundation for a sound legislative program.

This chapter contains a section on each of these elements.

The State Society Board

Each state society is governed by a board of directors (trustees), which has overall responsibility for society programs and operations. Usually, this board formulates policies and establishes the society's goals.

To facilitate achievement of society programs, the board may create committees for specific functions. The board should give each committee written directives outlining its responsibilities and the scope of its operations and should establish procedures for situations not covered by the directives. In certain situations the board may delegate some of its decision-making authority to its committees.

The State Society Committee on Legislation

The practice of public accountancy is regulated by state law. Each state CPA society, through a committee on legislation, should monitor legislative developments that might affect the accounting profession.

The society's board of directors is responsible for developing legislative objectives, which should be transmitted to the society's legislation committee, along with a grant of decision-making authority. This grant establishes the legislation committee as a unique, important agent of the board of directors and the society. The legislation committee should assist the board of directors in developing and carrying out the society's legislative policies and strategies.

The legislation committee chairman should be a politically sensitive leader committed to the society's goals. His responsibilities include—

1. Coordinating committee activities.
2. Recruiting and selecting society members most suited for service on the legislation committee.
3. Obtaining reports from committee members on their activities and furnishing the board of directors with periodic summaries of these reports.
4. Conducting a training program for new members of the legislation committee.

Society members willing to serve on the legislation committee must be dedicated and politically aware.

The State Society Staff

In order to execute its charge properly and to coordinate its activities with other society programs, the legislation committee requires staff assistance. The size of the state society staff and the range of its functions are in part determined by the size of the society, the scope of its programs, and the needs of its membership. Some states may employ a large executive and administrative staff to serve many state society programs; others may consolidate these functions in a single, part-time person who coordinates all activities. The available state society staff should be fully utilized and kept informed of all state legislative activities. Careful coordination between the staff and the legislation committee will improve the effectiveness and efficiency of the legislative program.

The Lobbyist and the State Society

What Is a Lobbyist?

Generally, any person who is employed or who receives compensation to aid or influence the passage or defeat of legislation or policy through direct communication with an official of the legislative or executive branch of government is termed a lobbyist. Lobbyists are also known as legislative advocates, legislative agents, or legislative counsels.

State lobbying activities are governed by regulations and laws, which differ from state to state. Depending on the law, lobbyists or their employers, and even legislation committee members, may be required to register with the state and file reports on their activities. State society legislation committee members should be familiar with the lobbying statute, the definition of a lobbyist, and the lobbying regulations in their state.

What Does a Lobbyist Do?

Working within the framework of the state society's policy and program, providing vital guidance and legislative expertise, a lobbyist is nearly indispensable to a serious legislative program. The value of a lobbyist is his ability to gain maximum strength for the society's efforts through his direct persuasive activity and his expert advice.

Prior to retaining a lobbyist, the legislation committee chairman should determine what lobbying services are needed and how they will be used during the legislative campaign. The legislative chairman, the society's executive director, and the lobbyist must clearly understand their roles in relation to each other since overlapping can only result in conflict, confusion, and inefficiency. Coordination among these three people is the key to effective use of a lobbyist.

A professional lobbyist or lobbying firm would generally provide the following services:

1. Daily contact with legislators as the society's representative
2. Daily monitoring of bills, amendments, committee assignments, and calendar action
3. Advice to legislators and leaders on matters affecting CPAs
4. Prompt recommendations to the legislation committee (with a copy to the society's executive director) on the handling of any proposed legislation having an impact on the profession
5. Routine reports to the society through the legislation committee (with a copy to the executive director)
6. Useful legislative intelligence for the legislation committee

Other lobbyist services may include legislative consulting, direction of legislative programs, and drafting of bills and amendments.

Retaining a Lobbyist

A lobbyist can be retained on a year-round basis for continuous service, for consultation when needed, or for a single-session project.

The year-round retainer undoubtedly results in the best relationship between the lobbyist and the society. When a lobbyist is working on a continuing basis, he learns more about his client and works for the client during the normal legislative session and at social and political gatherings.

Sometimes consultation when needed is adequate for the lobbyist and state society. The lobbyist's fees during the session may be somewhat higher than would be the case if his retainer continued year-round.

If a lobbyist is retained only when absolutely necessary, the client must often settle for less effective services because the best lobbyists may be already engaged. The lobbyist must be educated quickly to the needs of the profession and the program at hand. The teamwork, coordination, and organization—by-products of long-term associations—are difficult to develop in this type of arrangement, and it must be remembered that expert lobbyists are always in demand; if the project retainer approach is used, there is a risk that no lobbyist may be available when one is needed.

By retaining an expert lobbyist who is thoroughly briefed on the needs of the profession and who regards the society as a continuing client, a committee is well equipped for most legislative eventualities.

The Key Man Program

The legislation committee, supplemented by the lobbyist's activities, must be able to communicate the society's positions effectively to state legislators. The key man program has proven to be the best way to ensure that the society's positions receive due consideration in legislative deliberation. The objective is to establish regular and continuing personal contact with each elected legislator and official in the executive branch, thereby reinforcing the activities of the lobbyist.

The key man program acts as an immediate and effective communication network, whereby legislative developments, information, and opportunities or situations of interest or importance to the profession are reported by the key men to the legislation committee. It advises legislators of the services and expertise that distinguish CPAs from other accountants or professional groups. Through the program, legislators and other state officials become more aware of the CPA's willingness to serve the public interest, for example, as expert witnesses or advisors on tax legislation or fiscal management.

Once established, the key man program can provide the manpower for other society legislative activities. Besides canvassing and lobbying activities, key men can participate in the CPA/PAC program by delivering political action committee campaign contribution checks to candidates for office. This personal and financial expression of support may help solidify relations between CPAs and legislators.

Structure of the Key Man Program

Ultimate responsibility for the operation of the key man program lies naturally with the chairman of the legislation committee. All reports of legislative activity and legislator contacts should be transmitted to his attention.

Reporting to the chairman are one or more key man coordinators, responsible for—

1. Seeing that contacts with legislators are made on schedule.
2. Answering questions, providing information, and counseling key men.
3. Summarizing key man contact reports and promptly reporting to the chairman on actual and potential situations, with their associated opportunities and problems.
4. Recruiting key men and their replacements. When recruiting key men, the geographic and demographic characteristics of the state should be kept in mind. The recruitment effort should be directed toward having key men in most, if not all, legislative districts.
5. Attending all meetings of the legislation committee.

Responsibilities of a key man are—

1. Maintaining personal contact with his assigned legislators and key man coordinator.
2. Promptly summarizing and reporting to his coordinator the nature and results of each contact regarding actual and potential situations, including their opportunities and problems.
3. Attending the training program and meetings of the society's legislation committee, if requested to do so.
4. NEVER taking a public position on a specific bill without the sanction of the state society leadership.

Key Man Training Program

The training program serves to familiarize trainees with the goals of the key man program and their responsibilities as key men and to instruct them in techniques for developing, maintaining, and reporting legislative contacts.

Key men should be well versed in all legislative and political issues affecting the profession. In a sense, each key man is a lobbyist who must be able to communicate the society's positions to legislators in a clear and understandable fashion. The training program should produce key men who are masters of their subject and able to explain the reasons for the positions they advocate.

The key man coordinator may want to structure the training program in accordance with the following outline.

- A. Explanation of the key man program
 - 1. Purpose and goals
 - 2. The program structure
- B. The communication/information network
 - 1. Responsibilities of the key man coordinator
 - 2. Responsibilities of the key man
 - 3. Maintaining legislator contacts
 - 4. Reporting to the key man coordinator
 - 5. Proper use of key man forms
- C. Relations with legislators
 - 1. Continuity in the key man/legislator relationship
 - 2. The CPA's perception of the legislator
 - 3. The legislator's perception of the CPA
 - 4. Harmonizing relations
 - 5. CPA/legislator etiquette
- D. Coordination of the key man program with other society programs
 - 1. CPA/PAC activities
 - 2. Interim session activities
 - 3. Social functions
- E. Supplemental information
 - 1. Outline of the state society's legislative goals
 - 2. Review of the state's accountancy statute
 - 3. Review of opposition activity

Further information concerning the key man program is contained in the AICPA publication, *The Key Man Program: A Strategy for Legislative and Political Action*, copies of which may be obtained from the AICPA State Legislation Department.

The Political Action Committee

The Federal Election Act of 1971 authorized corporations and individuals with common interests to form political action committees (PACs) that provide information and financial support to candidates for elective office.

Generally, PACs are established by adoption of a constitution or charter that provides for the election of officers (chairman, vice-chairman, treasurer, and so forth) who preside at meetings and a board of trustees who administer the PAC.

A PAC solicits contributions by mail, through personal contact, or through fund-raising events to help elect those candidates who support the profession's goals. PAC officers decide which candidates will benefit from these funds, and campaign contribution checks are then authorized for distribution by the PAC chairman.

Although PACs operate independently from their sponsoring organizations, a CPA/PAC should coordinate its activities with the society's legislative program. For instance, the society's legislation committee can provide the PAC with information on candidates up for election, including whether these candidates have supported society legislative programs. Also, the key man program and PAC operations can be harmonized by having key men deliver contributions and make personal visits to recipients of PAC funds.

The state society should consult with legal counsel to determine which services it may offer to a PAC since they may be restricted by state law.

Legal advice should also be sought when setting up a PAC since each state has its own regulations regarding filing requirements, record keeping, solicitation of funds, and political advertising, which should be understood by the PAC officers and trustees.

The AICPA encourages the formation of state-society-sponsored CPA/PACs. Additional information is contained in the AICPA *PAC Handbook: A Guide for the Development of the CPA/PAC*. Copies may be obtained from the AICPA State Legislation Department.

Legislative Workshops

As part of its commitment to help the state societies develop legislative programs, the AICPA State Legislation Committee conducts legislative workshops at the request of interested state societies. Workshops help participants understand the importance of an ongoing society legislative program, inform participants of the latest trends and occurrences in state accountancy legislation and regulation, and generate support for the legislative program in that state. Planning for the upcoming legislative session, recruiting of legislation committee members and key men, and assessment of the society's legislative effort may be some objectives of the workshop.

Suggested participants in the workshop include—

- The state society leadership (president, legislative chairman, key man coordinator, executive director).
- Members of the state board of accountancy.
- Members of the society's legislation committee.
- Interested society members.
- Members of the AICPA State Legislation Committee.
- Representatives of the AICPA State Legislation Department.
- The state society lobbyist.
- The state's CPA legislators.
- Influential members of both houses of the state legislature.

Suggested topics for the workshop agenda include—

1. An exposition of the potential impact of the key legislative and regulatory issues facing the profession, including an explanation of the ripple effect of developments in other jurisdictions.

2. An analysis of the current state accountancy statute and suggestions for how to amend unworkable sections of the law. The AICPA Model Accountancy Bill should be presented as a standard of comparison by which the present statute can be measured.
3. A review of the legislative motivations, policies, and actions of opposition forces, their possible effects, and what was done to counter them.
4. An analysis of the legislative and regulatory environment in the state.
5. A brief review of the legislative process and how the state society can operate effectively within it.
6. A review of the state electoral process and how CPAs may become more involved in election campaigns.

The ideal time to conduct a legislative workshop is during the interim period, which begins after *sine die* adjournment of the regular session and lasts until a month or two before the legislature reconvenes. In many states the interim period lasts from summer to midautumn.

The resources and expertise of the AICPA State Legislation Committee and staff are available to help interested state societies plan legislative workshops.

The Legislative Campaign

The Stages of the Legislative Process

This chapter describes the basic legislative process and the fundamental lobbying activities and tasks performed by a state society legislation committee during a legislative session. For convenience of presentation, the legislative process is divided into six stages: presession preparation, the early weeks of the session, committee action, floor action, governor's action, and interim period follow-up activities.

Presession Preparation

The legislative arena can oftentimes be chaotic, and even the most enthusiastic efforts of a dedicated membership can be wasted if the legislation committee is not organized. The time available for pre-session preparation will vary from state to state. Some states have a months-long period of inactivity between sessions, while others may hold special, legislative study, or organizational sessions before re-convening. In those states that convene in January, pre-session preparation should begin in early November.

Before any plan is set in motion, the legislation committee chairman or the society executive director should thoroughly check the committee's structure and lines of communication, designate each member's area of responsibility, and make all key man assignments. Within a few weeks, legislative activity will be heavy, and there will be little time to make organizational adjustments.

Next, a capitol task force should be assembled to meet, establish liaison with, and solicit the goodwill of the legislative leadership. The task force should include state society officers, key man participants, legislation committee members, the society's lobbyist, CPA legislators, and politically astute CPA constituents. Prior to making their assigned visits, task force members should be certain that they understand the legislative policy and plan for the upcoming session, the important legislative and regulatory issues facing the profession, and the positions of the leadership, if known.

The legislative leadership includes these people:

- Senate president (frequently the lieutenant governor)
- Senate president pro tem
- Speaker of the house
- Speaker pro tem
- Majority and minority leaders of both houses
- Chairmen of key senate and house committees
- Influential members of both houses

Depending on local custom, key legislative and committee staff persons who work directly with legislators should be contacted. Legislators often rely on these professionals for information and advice on certain issues, and the legislation committee should make certain that these staff persons understand the society's views.

From the capitol task force, a delegation that includes the state society president, the legislation committee chairman, and the society executive director should be selected to meet with the governor or his representatives to explain the society's policies and legislative program. The weight and support of the governor's office could mean the difference between victory and defeat because the governor can veto bills passed by the legislature.

In addition, this group should visit chief administrative officials in charge of budgeting, state auditing, and taxation—people who understand and appreciate the professional services and expertise of CPAs. The political goodwill of these officials would be a valuable asset to the society. Agency heads responsible for centralized professional licensing, education, and other areas of interest to the society should also be visited.

Key men should again contact those legislators who have supported state society legislative programs. A personal visit is recommended, during which the legislator's outlook for the coming session is discussed, he is advised of the society's legislative plans, and a commitment of his continued support is obtained.

Finally, based on actions taken in past sessions and on reports of key men, the society's lobbyist, and legislation committee members, the committee should make an early appraisal of where all legislators stand on issues facing the profession.

The Early Weeks of the Session

After convening, some legislatures spend two or more weeks on organizational matters; legislative action is slow; time is spent introducing bills, making committee assignments, and planning strategy. This is valuable time for the legislative campaign; if it is used thoughtfully and according to plan, a legislative program will have a greater chance of success.

First, the legislation committee should begin gathering information on the upcoming session. Besides the public information available from the press, legislative journals, calendars, and bulletins, there exists a more sophisticated level of information called legislative intelligence. Gathered from sources in and around the state capitol, this intelligence may provide behind-the-scenes insight into legislative developments. Those in touch with legislators, their staffs, administrative officials, capitol employees, and political journalists should be reminded to submit all information regarding bill drafting, introductions, and legislators' attitudes concerning public accountability. The legislation committee and the lobbyist should constantly organize, record, and analyze this intelligence because each fragment might be translated into votes.

As soon as a legislator is reported to favor or oppose a society position, his assigned key man should contact him. A meeting between the key man, a carefully selected delegation of CPA constituents, and the legislator should be arranged. If the legislator is already committed to the society's position, his stand will be reinforced by this show of support. If he is tending to the opposition, he may become neutral. In either case, a follow-up letter, thanking the legislator for his time and consideration and restating the society's position, should be sent by each key man and CPA constituent. While letter writing campaigns by themselves have some value, a personal visit followed by a letter is more effective.

Next, the society should begin direct lobbying of all legislators by giving them straightforward, educational materials that explain the

services performed by CPAs and what distinguishes them from other accountants. These materials should help legislators understand the society's position and the motivations behind its legislative policies. For these purposes, a variety of informative publications are available from the AICPA State Legislation Department, including—

- *Brief Questions and Answers About CPAs.*
- *Information for CPA Candidates.*
- *Brief Questions and Answers About Required Continuing Professional Education (CPE) for Certified Public Accountants.*
- Selected position papers, court decisions, opinions, and statements on licensure and related subjects published in the AICPA Legislative Reference Service or generated by the state societies.

Finally, it may be possible to recruit a small group of legislators who are willing to help with the lobbying effort. Such groups are quite effective and should include members of the legislative leadership who will talk with colleagues, elicit viewpoints, and try to persuade them to adopt the society's position.

Committee Action

Following introduction, most bills are referred to a committee. Here, the merits of the bill are examined, recommendations may be made for further action, and a hearing on the bill may be scheduled. It is important to note that committees have advisory power only and their recommendations must be adopted by a floor vote. This stage of the legislative campaign cannot be overlooked, however, because committee actions carry considerable weight. The legislation committee should carefully prepare a committee strategy based, in part, on a canvass of the legislators on the committee of reference. Strategy for a hearing should also be developed.

In every state except Nebraska (which has a unicameral system), all activities may have to be performed in the house of origin and then in the other house of the legislature. In this section, the term *house* refers to either body, house or senate.

Canvassing the Committee

The objective of the canvass is simply to know as accurately as possible where each committee member stands on the bill in question. The lobbyist or a friendly member on the committee should conduct the canvass and summarize the findings on a seven-column worksheet headed as follows.

	<i>Probably</i>					
	<i>Against</i>	<i>Probably</i>	<i>For the</i>	<i>for the</i>		
<u>Name</u>	<u>the bill</u>	<u>against</u>	<u>bill</u>	<u>bill</u>	<u>Undecided</u>	<u>Unknown</u>

Members' attitudes should be recorded by Xs in the appropriate columns, and the results should be reported to the legislation committee. The lobbyist's analysis of the canvass should be conservative. While it is important to know which committee members are clearly in favor or opposed to the legislation in question, it is equally important to identify those legislators needing additional persuasion. The lobbyist should guard against wishful thinking and record all undecided

votes as such. Those legislators who cannot be contacted or who refuse to reveal their position should be listed in the unknown column.

Care must be taken when analyzing the canvass. For example, assume a canvass of an eleven-member committee reveals that only three members support the society's position. The society only needs to gain the support of three additional committee members to have a six-to-five majority on the committee.

The analysis is followed by various persuasive techniques. For instance, representatives of the society, key men, CPA/PAC officers and trustees, and CPA constituents should personally visit, write, and telephone every uncommitted or hostile committee member. Also, legislative and political leaders on whom these legislators rely should be encouraged to promote the society's position. After this is done, the lobbyist should conduct a second canvass to reevaluate the positions of these legislators.

Hearing Strategy

The purpose of a hearing is to obtain information and views on legislation. If a hearing is scheduled on a bill of interest, the legislation committee should prepare a hearing strategy. In addition to gathering legislative intelligence on committee members, obtaining commitments for their support, and conducting a committee canvass, the following steps should be taken.

A prehearing gathering of the hearing participants, including members of the legislation committee, friendly members on the committee of reference, and any witnesses testifying for the society, is recommended. A breakfast before a morning session, a luncheon before an afternoon session, or a dinner before an evening session does several things:

- It provides an opportunity for the hearing participants to discuss strategy, ask last-minute questions, and be given up-to-the-minute materials.
- The attendance of sympathetic members at the hearing is more certain because following the gathering they go directly to the hearing.
- The gathering gives psychological reinforcement to each helpful member because he sees that he is not alone in supporting the society.

The participants should review the state's parliamentary rules to determine the correct procedural motions for committee action. Unfamiliarity with these rules could be ruinous to any legislative program.

If in doubt, participants should seek the help of a parliamentarian or an experienced legislator.

The most articulate, best known, and ablest parliamentarians from among the friendly committee members should be chosen as leader and assistant leader to guide the bill through the hearing. It will be their responsibility to make all procedural motions during the hearing or in executive session. This should not be left to chance—too often one member will expect another to make a motion, with the result that neither does. Which motions are used will depend on the parliamentary rules of each state, the society's strength within the committee, the society's position on the bill in question, and how much face saving must be done for the opposition. These judgments should be made by the hearing participants before the hearing convenes.

The society should furnish friendly committee members with prepared questions to be used when examining witnesses, including—

- Pointed questions meant to confuse or unsettle opponents.
- Questions to discredit the testimony of adversaries.
- Questions to friendly witnesses that will permit them to expand their cases.

The society should request that friendly witnesses submit a copy of their prepared testimony to be analyzed and discussed at the strategy session. If there are several witnesses, their remarks should be coordinated, conflicting viewpoints resolved, and the order of their appearance before the committee carefully planned.

Finally, the witnesses should be briefed on hearing procedures, legislative etiquette, and relevant data about the committee chairman and other influential committee members.

Committee Recommendations

Based on its earlier canvass, the legislation committee should have a good idea of what the committee will recommend to the floor. If there was a hearing, however, the lobbyist should double check how the committee stands because some members may have changed their vote because of hearing testimony.

The legislation committee should always monitor the deliberations of the committee of reference by maintaining contact with friendly committee members. The society's legislation committee must be kept informed about all recommendations under consideration and actions by the opposition to influence the committee vote. Committee actions to delay or unfavorably amend a bill supported by the state society must be anticipated and defeated.

Supporters on the committee must be familiar with the political philosophy behind the society's legislative program since there is no opportunity to coach them during closed-door committee sessions. They should be advised on how to vote in light of all possible committee recommendations. Finally, they must be supplied with amendments to propose in case the society needs to compromise on its position or dilute adverse legislation.

When a bill of interest is about to be reported out of committee, the legislation committee should alert its supporters on the floor and advise them how to vote on the committee recommendation. For instance, if a committee recommends that a damaging amendment be added to a society-supported bill, the legislation committee must generate enough floor support to reject the recommendation. This may result in the bill's return to the committee for further deliberation.

The legislation committee should lobby to ensure that committee recommendations are in harmony with the society's legislative program before they are reported to the floor. Gathering enough votes to reject an adverse report may be impossible.

Floor Action

Once a bill has left the committee stage, the legislation committee must be fully prepared to engage in a floor fight. First, an accurate tabulation, or nose count, of every member's position must be made at once. The vote-counting techniques used when canvassing the committee can be applied for this purpose. Again, the count should be conservative, considering every undecided or unknown vote as a possible adverse vote until the legislator makes a firm commitment. This count will show which members should be visited by their key men. Letter-writing campaigns and telephone calls should also get under way.

Meantime, the capitol task force should again meet with the legislative leadership to solicit their help and support. It is important to visit all members of the leadership, including those who have expressed opposition to the society's program. Often, a legislator's public and private positions are quite different, even though he or she may appear unalterably opposed to the society's legislative position. A visit to such a legislator may provide an opportunity to relax a strong stand.

The task force must assess when the bill should come to the floor for debate. In some states, a bill may creep up slowly on the calendar of bills to be considered; in other states, it may come to the floor within a matter of days—or even hours—after the committee recommendation. Thus, the time for organization of the floor fight is limited. In fact, this work should be started before the committee action is completed since there is very little time afterward. It is imperative to avoid being caught without enough time to activate an entire floor program.

The task force should study the rules and procedural opportunities of each house. The rules governing floor action are important and should be kept in mind in developing a floor plan, which should be in writing.

The task force should organize a floor team, which includes those legislators who helped during the committee stage, other effective

and persuasive speakers and tacticians, and those who can deliver blocs of legislators to the society's side. From this group, a floor manager should be selected who will quarterback the floor fight and maintain communication with the legislation committee and the lobbyist while the legislation is on the floor. Selected members of the floor team should be assigned responsibility for making and seconding motions, making speeches, and offering amendments. These assignments should be worked out by representatives of the legislation committee, the lobbyist, and the floor team manager.

Speeches supporting the society's position and standby amendments should be drafted and given to floor team members who are committed to deliver them according to the floor plan. While the bill is open to amendment on the floor, it is critical that the floor leaders keep in close contact with members of the legislation committee and the society lobbyist to consult on important amendments or motions.

Literature explaining the society's stand must be distributed to the entire chamber before the floor debate begins. Brief, straightforward, and hard hitting materials are most effective.

The rules committee, which in most states determines the order in which bills are considered, should be lobbied to delay action on hostile bills and to speed up consideration of society-backed legislation.

If a bill passes, society supporters in the other house must be notified. All the steps outlined so far may have to be repeated.

If a bill passes both houses and there is disagreement regarding its final form, a conference committee comprised of representatives from each house is appointed to resolve the areas in dispute. If the conference committee cannot agree, a second conference committee will be appointed. It is possible that, if no compromise is reached, the bill will die.

If a compromise is reached, it must be adopted by both houses for the bill to pass. A defeat in one house will kill the measure. The tactics of the legislation committee at this point will depend on the legislation in question and the conference committee's recommendations.

Governor's Action

As a bill nears the final stages of the legislative process, members of the capitol task force responsible for contacting the governor should be alerted. These individuals should be familiar with the rules pertaining to transmittal of legislation to the governor, his powers of approval and veto, and the required number of votes needed to pass a bill over the governor's veto.

This group should be prepared to meet with the governor as soon as legislation is sent to his office for his signature. Generally, bills are sent within a matter of days following passage; however, the time periods vary from state to state and in some cases run into the next legislative session. The legislation committee should be familiar with these dates.

All governors, except the governor of North Carolina, have the power to approve or veto legislation. In many states a governor may take additional actions that can affect the society's legislative program. For example, in some states, if the governor fails to approve legislation within a specified period of time, the bill becomes law without his signature, while in others the bill would die unless signed. Some governors may return a bill to the legislature before taking any action. Four states (Illinois, Massachusetts, Montana, and New Jersey) allow the governor to return legislation with an amendatory or conditional veto. In this case, the governor suggests amendments to objectionable sections of a bill, and the legislature considers these suggestions and then either adopts the governor's amendments or returns the bill to the governor as passed by the legislature. Generally, if the bill is not amended to meet the governor's objections, it will probably not be signed.

If it appears likely that the governor will veto a bill supported by the society, the legislation committee and all key men must rally support in both houses to override the veto.

Interim Period Follow-Up Activities

Following *sine die* adjournment of the regular session and preceding the next convening date, there is an interim period during which little or no legislative activity is scheduled. This is the ideal time to conduct follow-up and other special activities that can help the society's legislative effort.

Because the duration of legislative sessions varies from state to state, the time available for interim period activities also varies. Some states continue regular calendar action year round, while others convene special, skeleton, or legislative study sessions at this time. The legislative calendar, therefore, will dictate when the legislation committee can begin interim period activities. While conducting these activities, the legislation committee should constantly monitor the capitol for legislative activity between regular sessions.

As a general rule, interim period activities should begin approximately ninety days prior to the start of the presession period. Since the presession program normally starts in November, interim activities should start in late summer.

First, the key men should write and personally deliver thank you letters to every legislator who helped the legislative program.

This is also a good time to continue the society's effort to educate legislators about its programs. If the society perceives that legislators are aware of the society's goals and the issues facing the profession, then occasional mailings of brief, interesting educational materials are sufficient; if legislator awareness is low, then a more formal effort is indicated, such as inviting legislators to a legislative workshop.

Society chapter and legislative district social events can be effective in furthering the legislative program and improving CPA/legislator relations. During breakfast, receptions, or other state society chapter activities, CPAs and legislators meet to exchange ideas and to discuss opportunities and problems. In these informal, pleasant gatherings, the needs and goals of the society can be presented.

Generally, campaigns to elect state legislators are conducted during the interim session. Forty-seven states elect their legislatures in November of even-numbered years. Virginia, Kentucky, and New Jersey hold their general legislative elections in November of odd-numbered years. The dates of primary elections vary.

These campaigns are excellent opportunities to solicit support for the society's position and to learn and confirm the attitudes of both friends and adversaries in the legislature.

Legislation committee members and key men should encourage state society members to contribute to a society-sponsored PAC to help elect candidates who support the society's legislative program.

Society members should actively participate in election campaigns. This is an excellent opportunity to get to know officeholders and political leaders who may be helpful to the profession. Additional information regarding the financial aspects of modern political campaigning and the role of the CPA as campaign treasurer is contained in the AICPA publication, *Campaign Treasurer's Handbook*. Copies are available from the Institute's Order Department.

Legislation committee members and key men can help improve relations with legislators by arranging for them to speak to various civil, religious, and fraternal organizations, which often seek political speakers during campaigns.

A few months prior to the start of the session, the society's legislative intelligence system should begin picking up rumors of bills being drafted and of developing legislative programs. At this point in the legislative cycle, interim activities begin to blend with the organizational activities described in the section on presession preparation. The legislation committee should now review the condition of the basic elements of its legislative program (key man program, CPA/PAC, lobbyist, and so forth). Polishing and reorganizing these elements can continue into the presession stage.

Model Legislative Programs

Kinds of Legislative Programs

This chapter presents model positive and defensive legislative programs. The positive program is used when the legislation committee plans either to initiate new legislation or to support others who sponsor bills of interest. The defensive program is used when opposing adverse legislation.

At times, the legislation committee may find itself simultaneously lobbying for one bill and opposing another. The committee must be careful, therefore, not to overextend its resources, especially when several bills of interest have been introduced. The society must concentrate its lobbying effort on those bills that have priority.

The legislative priorities should be consistent with the society's legislative objectives and policies. Legislation affecting the state accountancy statute must have first priority; the society must fully commit its resources to any positive or defensive programs involving the accountancy law. Still, the legislation committee must be careful not to overlook other critical bills that address legislative topics not contained within the provisions of the accountancy statute. If resources are available, the legislation committee may turn its attention to bills of secondary interest.

Also presented in this chapter is a model sunset program, which outlines participation by a society's legislation committee in the sunset process. While it is the accountancy statute and not the state society that is subject to sunset review, an active interest should be taken in the defense of the profession and state board regulation. The sunset program section describes some of the activities the legislation committee might undertake in this role.

The Positive Program

Checking the Legislative Climate

Before a positive program is begun, the legislation committee should examine the state's political and professional climate to determine (1) how a revision might affect laws not directly addressed in the proposal, (2) if the proposal has the backing of the profession, and (3) whether there is sufficient legislative support to pass the bill. If the committee plans to introduce legislation in the coming session, the effects of the proposal on other laws must be examined. It is possible that an amendment to a particular law, which by itself is harmless, may have adverse effects on other statutes. The committee should also initiate a survey by its key men for indications of legislative support. Legislators' voting records and public statements on relevant issues should be scrutinized for evidence of support and opposition. The committee should also expose the proposed revisions to the members of the society for their comments.

Each state society's legislation committee should periodically review the accountancy law in its jurisdiction to determine whether it is consistent with the needs of the profession and changing legislative and regulatory conditions. Court decisions, state board regulations, the sunset review process, membership attitudes, policies of professional associations, consumer lobbying interests, and the passage of tangential legislation may create a need to amend accountancy laws.

Legislation committee members should be aware of the dominant trends, forces, and philosophies shaping accountancy laws and should analyze the existing law in light of these influences. The following major factors should be considered in this analysis:

1. The public must be protected from unqualified practitioners who have not demonstrated minimum competence in the practice of public accountancy.
2. The public interest is not served by the creation of less qualified classes of accounting practitioners licensed to perform elementary accounting functions or, in states where these classes exist, by the continued licensing of such practitioners.

3. Accountancy statutes should not merely restrict the use of accounting titles but should also reserve to licensees the issuance of opinions on financial statements and reports on reviews or compilations of financial statements.
4. Differing local requirements for certification, reciprocity, continuing professional education, temporary practice, and other aspects of state accountancy should be eliminated because they constitute artificial barriers to interstate practice.
5. Communications between an accountant and a client, while not privileged, are confidential in nature and should not be disclosed except with the consent of the client, when required by law, or when information is needed for peer reviews or ethics investigations.
6. In order to obtain the common body of knowledge for beginning CPAs, a baccalaureate degree and not less than thirty semester hours of additional study are needed.
7. The movement for public representation on state boards of accountancy is a clear national trend.

Additional influences peculiar to individual states and accountancy statutes must also be considered.

Philosophical arguments for updating an accountancy statute are contained in the AICPA Model Accountancy Bill (1981), which presents forward-looking concepts that state societies and the general public should consider enacting into law. A grasp of modern economic realities and solutions to the present artificial barriers to interstate practice are reflected in its provisions. AICPA white papers supporting these and other arguments pertaining to accountancy legislation and copies of the Model Accountancy Bill are available from the AICPA State Legislation Department.

If the legislative climate is favorable, the legislation committee can proceed to the bill drafting stage.

Bill Drafting

When drafting a new law or amendments to an existing statute, certain factors should be considered:

1. To counter the opposition's characterization of the bill as not in the public interest, the draft should contain language stating that the bill is intended to promote the public welfare.
2. If a bill is likely to face stiff opposition, the legislation committee should determine acceptable areas for possible compromise.

The limits of compromise should be established in advance, and compromise amendments should be drafted and kept in reserve for use only when the bill can no longer stand in its original form.

3. The committee should also be sure that all provisions of existing laws that are in direct conflict with the proposed revision are amended for conformity or expressly repealed in the draft. Help from legal counsel must be sought to ensure that the revision is constitutional and to determine the bill's impact on related occupational licensing laws, corporation laws, professional association laws, or education laws.
4. A useful technique is to include in the draft sections that are known to be totally distasteful to the opposition and that will be intentionally sacrificed. These straw man sections can be used as bargaining chips in later negotiations. This tactic should demonstrate that the society is willing to compromise on its position, yet this allows the main points of the draft to remain intact.
5. Assistance in bill drafting may also be obtained from the AICPA State Legislation Department. It is urged that drafts, when completed, be submitted to the AICPA staff for review.

Introduction and Action

The legislation committee must recognize that it is more difficult to enact legislation than to defeat a hostile measure. The review of the defensive program will indicate some of the defensive tactics available to the opposition. Contingency plans to overcome each hurdle should be developed, thus maximizing the chances for success.

The legislation committee should seek the bipartisan support of influential members of each house to cosponsor legislation and to act as floor managers.

If possible, the society should try to have its bills referred to a committee whose chairman is friendly to the CPA profession. The committee of reference should be lobbied heavily to ensure that there are enough votes to defeat all opposition motions and amendments. The legislation committee must be prepared to respond to hearing notices with testimony delivered by knowledgeable members of the profession.

If attendance of a sufficient number of friendly committee members is doubtful for the hearing date, it is wiser to seek a postponement than risk a committee vote. If necessary, compromise amendments should be offered before the bill leaves the committee stage of the legislative cycle.

Once a bill has been reported out of the committee of reference, it has to survive an additional reading on the floor of the legislature. It is during this time that the entire house has the opportunity to discuss, debate, amend, and even prematurely kill legislation. The key to survival is to hold the society's legislative support together, resisting all adverse amendments and motions designed to suppress a bill, such as tabling or indefinite postponement. The lobbyist and key men should make additional legislator contacts to reaffirm their commitments because the opposition will try to erode the bill's support.

Generally, once a bill is called up on the house or senate floor for final passage, there is little chance of further amendment. However, it is wise to review the rules governing the offering of floor amendments. In most states, a bill on final passage can only be amended if a motion to resume debate on the bill is adopted. Such a motion must be defeated. A society with enough support to advance legislation this far without serious damage should be confident of sufficient votes for passage. This should be confirmed by a final nose count. A bill should not be considered passed until all votes are counted, and even then a motion to reconsider the bill may still have to be defeated. The first house effort is not over until the bill is sent to the other house.

There are no short cuts in the legislative process; all of the concepts explained earlier must be reapplied to see a bill through the second house. An important objective of the second house battle, besides passage, is to defeat attempts to amend the bill. Second-house amendments must receive the approval of the first house, which complicates the legislation committee's efforts. The bill could be referred to a conference committee for resolution if the house of origin does not agree to the other house's amendment.

Even after a bill passes the second house, the campaign must be taken to the governor's office to ensure that he will sign the bill into law or allow the bill to become law without his signature. This step is the last opportunity for the opposition to defeat a bill, and it is certain that their efforts will be strong.

The Defensive Program

Hostile legislation can be generated by a variety of sources, such as opposition accountancy associations, aggrieved individuals, or well-meaning but poorly informed legislators.

Legislation that would weaken, repeal, or in any way dilute the present accountancy law, such as measures to lower certification standards, extend the issuance of opinions on financial statements and reports on reviews or compilations of financial statements to unlicensed accountants, or grant certification or licensure to a second class of accountants, must have defensive priority over other hostile bills of interest.

The following tactics are designed to forestall or defeat adverse legislation.

Initial Warning and Reaction

If no positive program has been planned for the upcoming session, the defensive program should be primed and ready for action before the session begins. In fact, the legislation committee should assume that hostile legislation will be introduced.

The society's intelligence system and key man network will probably receive advance warnings or clues that a bad bill will be introduced during the next legislative session. Opposition forces will be in contact with many of the same political figures and legislative leaders whom the legislation committee should visit during the pre-session stage, and some details of hostile proposals may be circulating. On this information, the society should begin activating its defenses.

The legislation committee should also be receiving information about which legislators support, oppose, or are uncommitted on certain bills. As this information comes in, the committee chairman should urge the key men to visit potential sponsors and supporters of hostile legislation to discourage their support of those bills. This lobbying effort may influence them to withdraw their support, or at least to forestall introduction of the bill, giving the legislation committee the opportunity to get its program into high gear.

The legislation committee should obtain a copy of the draft bill for study. If their analysis reveals that the legislation is clearly not in the public interest, public opinion against the bill must be generated. Statements for society publications should be prepared, and the news media should be notified of the bill's adverse impact on the public interest.

Introduction and Committee Referral

The state legislature's rules governing the introduction and committee reference of legislation should be studied for additional defensive mechanisms. For instance, some states require that all bills be filed for introduction by a certain date during the session; it may be possible to delay introduction of an adverse bill past this cutoff date. Some states also have rules governing the initial committee reference of bills wherein the speaker of the house and the president of the senate decide to which committee bills are referred; these leaders should be influenced to refer a hostile bill to a committee whose members favor the society, thereby insuring its defeat. If committee references are restricted by rule, the legislation committee should shift its focus to the hearing stage of the legislative campaign.

Committee Tactics

A defensive legislative program seeks first to avoid any hearing at all on a bill it wishes to defeat. The next best thing is to delay a hearing. Following are some useful delaying tactics:

1. Ask friendly committee members to request the chairman to avoid a hearing because consideration of the bill will hurt them politically.
2. Influence the chairman to take up other bills from the hopper awaiting committee attention.
3. Encourage other lobbying forces to lobby for a hearing on their bills.
4. Convince legislative leaders to ask the chairman to move as slowly as possible toward holding a hearing.

When a hearing is inevitable, especially if a state's rules require that every bill must be reported by committee, a hearing strategy must be prepared. The strategy should include all of the activities listed earlier in the section on committee action; in addition, the following techniques should be applied.

The society's legislation committee should study those procedural opportunities that will further delay or defeat adverse legislation:

- A motion that the bill be given a do-not-pass recommendation
- A proposal that the bill be referred to a subcommittee for further study
- A motion to table the bill indefinitely
- A recommendation to return the bill to its author for further drafting
- A motion that action be postponed to a later date
- A delay to await action on a companion bill introduced in the other house
- A proposal to refer the bill to the attorney general for an opinion on constitutionality or legality

Which motions are used will depend on the state's parliamentary rules, the society's support within the committee, and how much face saving must be done for the opposition. These tactical judgments should be made by the legislation committee chairman or lobbyist and the friendly committee members. If the society has insufficient support to kill a bad bill in committee, a large number of amendments should be prepared well in advance and given in final form to friendly members of the committee committed to offer them to dilute the effects of the bill.

If the outcome is still in doubt during the hearing, toward the end of the society's testimony a friendly member should ask for more time. The society's chief witness should be prepared to cite a list of several more speakers who could not be present or who have asked for an opportunity to be heard. The hearing could be delayed for at least another week, allowing time to redouble the lobbying effort.

If it is permitted under the state's rules, the society can seek a delay by asking the friendly chairman of some other committee, subcommittee, or interim legislative commission to request that the bill be referred to his panel for study. In states where two or three committee referrals are permitted, a chairman usually can have the bill referred to him as a courtesy. If the bill requires a state expenditure, the motion should be made to refer the bill to appropriations to determine its fiscal impact.

If a member is publicly committed to the opposition but wants to help the society, the lobbyist or key man might suggest that he or she be absent from the hearing.

The number of obstacles available makes the committee stage the easiest point in the cycle at which to kill or delay a bill. However, the

best defense is acquiring legislative intelligence about the committee members' positions and obtaining their commitments to support the society at the earliest possible date.

The Defensive Floor Fight

The legislation committee's goal is to kill dangerous legislation in committee and never allow a bad bill to get to the floor, where it becomes harder to stop simply because many more votes must be accumulated against it than in the committee stage. If the legislative program is operating efficiently, the chances are slight that a strongly opposed hostile bill will be reported out of committee. However, if a hostile bill is reported out, the floor defenses must be called into play.

Key elements of the floor fight are accurate nose counts and the intensive lobbying techniques outlined in the section on floor action. In most states there are also numerous procedural opportunities for delay and defeat. Delay is vital since most legislatures must adjourn or want to adjourn by a certain time. Every day a bill is left on the calendar, passed over by motion, or superseded by special orders for other bills increases the possibility that it will die before adjournment.

Examples of delaying procedural opportunities available in most states include points of order, quorum calls, and motions to table, postpone, or take up at a certain time. Every delaying procedure must be studied, worked into the tactical plan, and used.

Amendments are important weapons in the defensive arsenal that can effectively reduce the impact of, or support for, an adverse bill. Amendments should be offered that (1) create inconsistencies that make it difficult or next to impossible to administer, (2) inject unconstitutional elements that provide an opening for court action, or (3) add substantive language known to be unacceptable to the bill's supporters. Legislators committed to the opposition may change their vote if such amendments are adopted.

Each amendment must be offered by a legislator according to the floor plan. His speech and those for seconders and supporters must be prepared beforehand and distributed to members of the floor team.

If a companion bill has been offered, opponents can attempt through amendment to create inconsistencies in the two bills. Even a small difference in the final house and senate versions will require a conference committee, which opens the door to relobbying, delay, referral for interim study, or killing of the bill. At the very least, it allows another opportunity for floor action when the conferred bill is sent back to the two houses for final action.

When a vote is going badly, a friendly legislator should, by prearrangement, switch his vote before the roll is closed in order to be on

the prevailing side. After the bill passes, he should then make a motion to reconsider the bill. If the motion is carried, the entire lobbying program must be reaccelerated to its highest pitch in an effort to switch votes from the other side. Even if this does not work, the motion and resulting vote will still gain some time before the bill goes to the other house or to the governor for executive action.

If necessary, the society prepares a program of persuasion directed at the governor's office. Visits to the governor's office by delegations of key men or state society leaders should be scheduled. Newspaper reaction and public statements, mail, and telephone campaigns must be ready if a hostile bill passes the legislature. The governor must be given every reason to veto the bill. If an outright veto is unlikely, the society should check the state rules to see if the governor is allowed to conditionally veto legislation. If so, it may be possible to convince the governor to object to specific sections of the bill.

If the defensive program fails and the bill is approved, the society should begin planning at once to introduce legislation in the next session to amend or repeal the new statute. The lobbyist should analyze the voting records of the house and senate on passage of the bill. The chairman of the legislation committee should personally thank those legislators who supported the society's position and arrange to meet with those legislators who did not to discuss the reasons for their opposition.

The Sunset Program

Sunset is an action-forcing mechanism designed to evaluate periodically the effectiveness and efficiency of agencies and programs. A sunset law establishes a timetable for the termination of government agencies or programs unless the legislature takes affirmative action to reestablish the entity. A sunset review is the vehicle used to evaluate the effectiveness and efficiency of state government programs, agencies, and regulatory boards, including state boards of accountancy.

Not all sunset laws are alike. The differences between them are of degree rather than substance—for example, the number and type of agencies to be evaluated, the length of time for which an agency is renewed, and the methodology and comprehensiveness of the evaluation process.

While not all states have enacted a sunset law, each state has considered enacting one. The society's legislation committee should be prepared to address the challenges inherent in the sunset review process.

The committee should be familiar with the sunset process itself. It is important to know what body will be conducting the review and the evaluation criteria used for the review. Committee members are encouraged to attend the hearings on sunset reviews of other state boards or agencies, especially those conducted by the panel responsible for reviewing the state board of accountancy. In this way, members witness the process first hand and get to know the personalities of the sunset panel. The published reviews of other boards should also be read, if available.

The committee should prepare a statement in case the board of accountancy requests the opinion of the state society or the society is called to appear before the reviewing body. The statement should focus on the need for a state accountancy law and the justifications for the continuation of state board regulation.

The committee must lobby against any sunset review that would be harmful to the public interest. Such recommendations would likely be the basis of hostile legislation introduced during the next legislative session.

The sunset review law may require the reenactment of the accountancy statute. The legislation committee should draft a proposed law and advocate its passage to the sunset panel and the legislature. The draft should reflect the latest thinking of the profession on accountancy legislation and provide alternatives to any hostile recommendations or bills generated by the sunset review.

As mentioned earlier, assistance in drafting legislation is available from the AICPA State Legislation Department. Copies of all drafts should be submitted to the Institute for review.

The committee should offer research and support services to the accountancy board during the sunset review.

The committee should try to harmonize the legislative goals of the state board of accountancy with those of the state society. The society can illustrate that it has the means of implementing legislative goals through its legislation committee, key man program, and political action committee.

If the society's participation is requested by the sunset review staff or the legislature, the society's response should be enthusiastic and cooperative. The society, through the legislation committee, could explain to the review staff the need for professional regulation and why a state board of accountancy is the best instrument of regulation.

A positive approach to sunset is important. The sunset review process is an opportunity for the society to highlight the strengths of the profession, favorably influence the outcome of the sunset review, and improve and modernize the state accountancy law.

Additional material and information on sunset and the responses of the profession to the sunset process are contained in the AICPA *Sunset Handbook*, copies of which may be obtained from the AICPA State Legislation Department.

In Summation

A state society's legislative program needs strong leadership and a dedicated, hard-working committee. Sound organization and well-planned and well-executed strategies are the hallmarks of good legislative programs. To be fully effective, these programs should operate on a year-round basis. The legislation committee must be alert and ready to respond to new opportunities and situations in an ever changing political environment.

The legislation committee's leaders should continuously strive to improve the program. Each important element—key man program, CPA/PAC, and so forth—should be reviewed periodically by the chairman to identify strong points and uncover and remedy weaknesses. No matter how effective a state society's legislative organization appears to be, it can always be better. CPA/legislator ties should be strengthened whenever possible, and the committee must keep the society's leaders and members aware of present and developing legislative issues, opportunities, and problems.

A well-coordinated legislative program can benefit both the society and the public. It can increase public and legislative awareness of the CPA profession through the enactment of sound accountancy legislation. It assures third-party users of financial statements that the opinions on those financial statements will be developed by qualified professionals. It assures users of accounting services that practitioners will remain competent through the protection and promotion of high professional standards. Finally, it can assure the public that the accounting profession will continue to be self-regulated, thereby relieving the public of a burden associated with government regulation.

The legislative arena presents opportunities as well as problems. State society legislation committees that can respond promptly and forcefully will be better prepared to advance the legislative goals of the profession and to oppose the enactment of adverse accountancy laws.

Glossary

This glossary contains terms found in the manual and others commonly heard in legislative circles. Although the list is not exhaustive, because some states may use different terminology and definitions, a review of it should be of some help to anyone unfamiliar with the legislative process.

act. A bill which has passed the legislature and has (1) been signed into law by the governor, (2) been allowed to become law without his signature, or (3) been passed over the governor's veto.

amendatory veto. An executive action, also known as a *conditional veto*, in which the governor returns a bill to the legislature with suggested amendments to those sections of the bill he finds objectionable, without which he will not sign the bill into law.

bad bill. A bill adverse or hostile to the legislative policy and program of an interest group.

bicameral. A two-chamber legislature composed of an upper chamber (senate) and a lower chamber (assembly, house of representatives, or house of delegates).

calendar. A listing of bills scheduled for action on the floor of either chamber.

calendar action. Legislative action taken on bills listed on the calendar.

committee action. Legislative activity by a committee of reference.

committee of reference. A body of legislators to which bills are referred upon introduction. The committee, following its deliberations and possibly hearings, reports its recommendations to the floor.

committee report. A report containing a committee of reference's recommendation for floor action on a bill.

conditional veto. See *amendatory veto*.

conference committee. An ad hoc committee appointed by the leadership of each house to resolve a disagreement over the final wording of a bill passed in somewhat different form by each house. A conference committee report recommends a solution to the disagreement. The report must be adopted by both houses in order for the bill to pass.

convening date. The first meeting day of a legislative session.

defensive program. A legislative program designed to defeat or forestall the passage of hostile legislation.

floor. The house or senate chamber. Action taken on the floor, as opposed to committee action, is action taken by the house or senate in session as a body.

hearing. A public session of a committee of reference held to hear testimony on a bill referred to the committee.

house. The lower chamber of the legislature or general assembly, generally the assembly, the *house* of representatives, or the *house* of delegates.

interim period (session). The period between *sine die* adjournment of a regular session and the convening date of the next session.

introduction. Formal presentation of a bill for consideration by the legislature.

key man program. A communication network facilitating the exchange of legislative information and views between the state society and legislators.

legislative advocate (agent or counsel). See *lobbyist*.

legislative leadership. The presiding officers of each house of the legislature, principal members of each political party, and the chairmen of the committees of reference.

legislative process. The sequence of events required for the passage and enactment or defeat of proposed legislation.

legislative workshop. A seminar, jointly sponsored by the AICPA State Legislation Committee and a state society, held for the purpose of generating support for the legislative program of the society and to examine current legislative concerns affecting the profession in the host state.

lobbyist. A person retained by another for the purpose of promoting, influencing, monitoring, or defeating legislation.

organizational session. A presession activity during which the members of the legislature elect their officers, make committee assignments, and, in some states, prefile legislation for the next regular session.

pocket veto. See *veto*.

political action committee (PAC). An association of individuals with common interests who organize to provide information and financial support to candidates for elected state offices.

positive program. A legislative action program designed to promote the passage of legislation.

prefiling. The introduction of proposed legislation prior to the convening date of a regular session.

quorum. The minimum number of legislators, established by rule or law, necessary to conduct business.

regular session. That period of time commencing at the convening of the legislature and ending with *sine die* adjournment.

ripple effect. A term describing the tendency for legislation introduced or passed in a state to influence legislators in other states to introduce similar legislation.

senate. The upper chamber of the legislature or general assembly.

sine die. A Latin expression meaning the final adjournment of the legislative session with no scheduled reconvening date.

special session. A legislative session, other than the regular session, usually called by the governor to consider specific subjects.

standing committee. A principal permanent committee of the legislature, including but not limited to the committees of reference.

tabling motion. A parliamentary measure designed (1) to temporarily delay debate on a bill on the floor or (2) to postpone debate indefinitely, which, in effect, kills the bill unless the legislature votes to remove the bill from the table.

unicameral. A single-house legislature. Nebraska's senators comprise the only unicameral state legislature in the United States. See *bicameral*.

veto. Executive disapproval of a bill passed by the legislature. The governor's reasons for not signing a bill are given in a veto message. Failure by the governor to act on legislation after *sine die* adjournment results in a pocket veto.

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